

THE HONORABLE JAMES L. ROBART

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
SEATTLE DIVISION**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

ANDY SHIN FONG CHEN AND AERO  
SPACE PORT INTERNATIONAL GROUP,  
INC.

Defendants, and

NORTH AMERICAN FOREIGN TRADE  
ZONE INDUSTRIES, LLC; WASHINGTON  
ECONOMIC DEVELOPMENT CAPITAL,  
LLC; WASHINGTON ECONOMIC  
DEVELOPMENT CAPITAL II, LLC; EVF,  
INC.; MOSES LAKE 96000 BUILDING LLC;  
SUN BASIN ORCHARDS, LLC; PIA, LLC;  
JOHN CHEN; TOM CHEN; BOBBY CHEN;  
and HEIDI CHEN,  
Relief Defendants.

Case No. 2:17-cv-00405-JLR

**JOINT STATUS REPORT**

The parties, the Securities and Exchange Commission (“SEC”) and Andy Chin Fong Chen and Aero Space Port International Group, Inc. (the “Defendants”), submit this JOINT STATUS REPORT pursuant to this Court’s February 15, 2019 ORDER (ECF No. 55). The parties have conferred several times about the best way to proceed in this matter.

1. The only remaining issues that would require a jury trial are the SEC claims for liability under Sections 17(a)(1) and (3) of the Securities Act of 1933, and

those under Rule 10b-5(a) and (c) promulgated pursuant to Section 10 of the Securities Exchange Act of 1934. Dismissal of the remaining claims requires approval of the SEC's Commissioners. The SEC staff involved in this matter are in the process of providing their recommendation as to the remaining claims to the Commission.

2. The parties are in agreement that it is not necessary for the Court to maintain the current trial date.

3. The parties are in discussions about the range of possible remedies, including whether additional discovery may be appropriate, whether disgorgement from relief defendants will prove necessary, and whether the issues may be resolved through presentation by papers, or a hearing, or settlement. The current hope is that the parties can narrow the issues, and present the Court with a proposed plan to complete the remedy proceedings as expeditiously as possible.

Dated: February 20, 2019

Respectfully submitted,

<p>By: <u>s/John D. Worland, Jr.</u> JOHN D. WORLAND, JR.* DAVID MENDEL* GREGORY N. MILLER* (*Conditionally Admitted Pursuant to Local Rule 83.1)) worlandj@sec.gov</p> <p>Attorneys for Plaintiff</p> <p>SECURITIES AND EXCHANGE COMMISSION 100 F Street NE WASHINGTON, DC 20549 Telephone: (202) 551-4438</p>	<p><u>/s/ Frank R. Siderius</u> FRANK R. SIDERIUS, WSBA #7759</p> <p>SIDERIUS, LONERGAN &amp; MARTIN, LLP</p> <p>Attorneys for Defendants and Relief Defendants</p> <p>500 Union Street, Suite 847 Seattle, WA 98101 206.624.2800 work <a href="mailto:franks@sidlon.com">franks@sidlon.com</a> <a href="http://www.sidlon.com">www.sidlon.com</a></p>
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